UNIVERSITY OF CANBERRA

Assignment Coversheet

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Students Name	Dhvani Tirth Gajjar
Unit name	Business Decision Making
Unit number	11396
Names of the tutor/Lecturer	Dr. Habib Khan
Assignment name	Assessing the creditability of sustainability information.
Due date	08/03/2025
Tutorial Time and Day	
Date of submission	08/03/2025

Students' declaration

I certify that the attached assignment is my own work. Material drawn from other sources has been appropriately and fully acknowledged as to author/creator, source and other bibliographic details.

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Paste Video Presentation URL here: https://voicethread.com/myvoice/thread/3005816 6

Report on assessing the creditability of Pilbara Minerals' sustainability information

Introduction:

The shift towards a stakeholder view has led to businesses becoming more accountable to various stakeholders, promoting sustainability and integrating environmental, social, and governance considerations into operations. The matters of climate change, resource scarcity, and energy efficiency strongly resonate with the mining industry. People demand more clean technologies and they use batteries made of a mineral called lithium. To extract a tonne of lithium, 5 to 15 tonnes of carbon is emitted, which is far more than a petrol/diesel vehicle. Thus, mining companies producing lithium need to be more accountable for their sustainability information. One of the largest producers of lithium in Australia is Pilbara Minerals. It is an ASX50-listed lithium company, with 100% ownership of Pilangoora Operation – the largest independent hard-rock lithium operation in the world.

Literature Review:

Previous studies such as Eccles et al. (2012) and KMPG's Sustainability Reporting Survey (2020) have looked at general practices of corporate sustainability reporting, focusing on quantity rather than quality, especially in lithium mining. Research on 'Pilbara Minerals' is limited, creating a gap in understanding its sustainability claims. This study aims to address that gap. Best practices include linking sustainability with business strategy and clear performance metrics for credibility (Global Reporting Initiative, 2021).

Method of data collection:

The study relies mainly on secondary data sources, such as Pilbara Minerals' 2023 and 2024 annual reports, sustainability reports, and other publicly available information. Additional sources are considered to cross-check the genuineness of the company's claims.

Findings & Discusssions:

To evaluate whether the company has genuinely adhered to sustainability practices or has just 'greenwashed' the information as a public relations tool, the data have been analyzed against eleven credibility indicators as follows:

1. **Alignment of sustainability strategy with the business strategy (9/11)**: The company aims to become a leader in sustainable battery material products by achieving net zero emissions in scope 1 and scope 2 by 2040, ensuring environmentally responsible production of batteries to achieve long-term business goals. It must be implemented in an environmentally responsible manner to achieve real sustainability and align with long-term business goals.
2. **Performance targets used for sustainability (8/11)**: Pilbara minerals has set reasonable sustainability targets, including:
    - Carbon emission reduction: Achieve net zero Scope 1 and Scope 2 emissions by 2040 (Task Force on Climate-related Financial Disclosures, 2023).
    - Safety Metrics: TRIFR (Total Recordable Injury Frequency Rate) of less than 3.0.

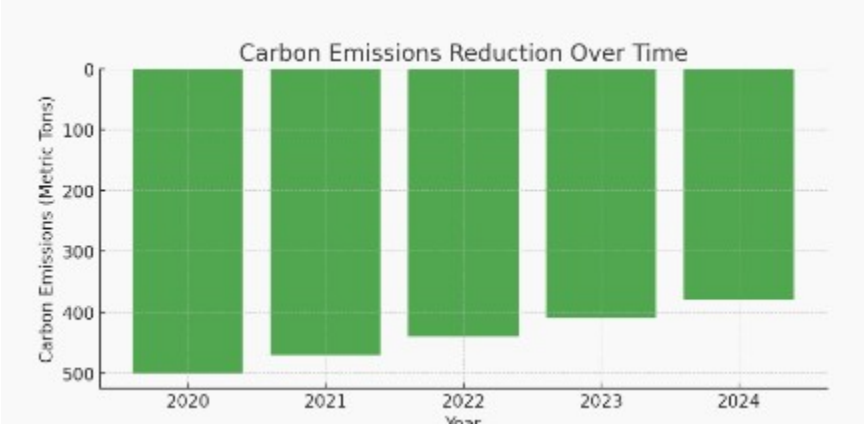
- Community Investment: Engage in multi-year agreements with Indigenous and local community programs (Pilbara Minerals, 2024).

3. **Performance indicators used for sustainability (8/11)**: The company uses key performance indicators (KPIs) to track progress towards sustainability:
   - Carbon Footprint: Metric tons CO_2 equivalent emissions.
   - Safety Performance: TRIFR rate and number of lost-time injuries.
   - Diversity and Inclusion: Percentage of female employees and Indigenous representation (Sustainalytics, 2023).
   - Community Engagement: Financial contribution per year and stakeholder engagement hours (MSCI ESG Ratings, 2023).
4. **Stakeholders Engagement (8/11)**: Pilbara Minerals updated its stakeholder engagement policy in FY24, incorporating six principles including identification, feedback, grievance procedure, and engagement techniques (Pilbara Minerals, 2024). The company published a sustainability data-book, highlighting key engagement processes for local communities, employees, and contractors. However, the policy does not explicitly explain how stakeholder feedback influences sustainability policies.
5. **Integrations of sustainability issues with business units/process or departments – (10/11):** The company integrates sustainability into its business processes, aiming to reduce power-related emissions by 80%, launch a community grants program, and reduce TRIFR, and establish a climate change steering committee.
6. **Ongoing stakeholders feedback and dialogues (7/11):** Pilbara Minerals has established a stakeholder record management system to record communication and capture community sentiments and issues raised. This system also records the action taken to address the issues. Transparency in

reporting responses to stakeholder concerns would further enhance credibility (Global Reporting Initiative, 2021).

7. **External Independent verification (7/11):** Pilbara Minerals engaged KPMG for independent limited assurance across selected sustainability metrics for FY24. As per the report, there were no material misstatements in the sustainability information. However, no such verifications were carried out in FY23. Although there is a third-party guarantee, more extensive independent audits could strengthen credibility. (Sustainalytics, 2023).
8. **Readability of information (9/11):** The sustainability report is a part of the annual report. It is organised effectively and sequentially and provides easy to read information. In FY24 it also provides the sustainability data-book, which comprehensively lists various indicators used to achieve sustainability.
9. **Accuracy of information (7/11):** KPMG's independent assurance for FY24 is considered somewhat accurate, but there were no assurance engagements in FY23. To enhance credibility, consistency across multiple reporting years and alignment with third-party verification outcomes should be ensured. (Sustainalytics, 2023).
10. **Trends of sustainability information over time (9/11):** Over time, Pilbara Minerals' environmental initiatives have changed dramatically. Important areas of advancement consist of:

    - Carbon Emissions Reduction: By integrating renewable energy sources and increasing operational efficiencies, the company has gradually reduced its carbon footprint over the last five years. (Pilbara Minerals, 2024).

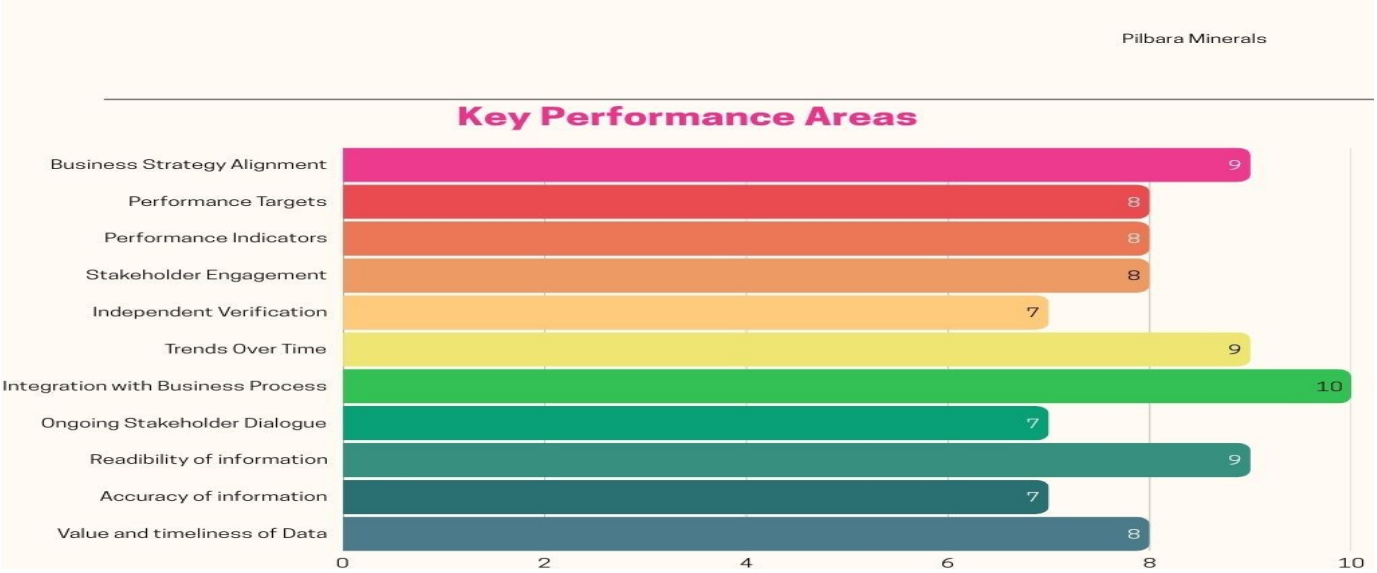


Pilbara Minerals. (2024). *Sustainability Data and Performance Report*. Pilbara Minerals Ltd.

- Safety Performance: he company has also improved workplace safety measures, with a decrease in Total Recordable Injury Frequency Rate.

- Stakeholder Engagement: Pilbara Minerals has expanded community relationships and increased interaction with Indigenous communities. (Pilbara Minerals, 2023).

11. **Value and timeliness of data (8/11)**: Sustainability reporting is done annually in a structured format. But considering how quickly environmental and social issues are changing, implementing more frequent updates, such as quarterly sustainability performance reports, could improve transparency and responsiveness to stakeholders by creating an interactive dashboard with real-time updates on environmental and social issues. (TCFD, 2023)



Conclusion:

Pilbara Minerals exhibits a strong commitment to sustainability. Overall score of Pilbara Minerals is 8/11, representing 73% (approx.) compliance with sustainability. Nonetheless, several things could be done better, such as:

- increasing sustainability reporting frequency to give up-to-date information (MSCI ESG Ratings, 2023).
- stakeholder input systems should be made more transparent (Sustainalytics, 2023).
- adding more independent audits to strengthen third-party verification.

Pilbara Minerals could strengthen its reputation and its position by tackling these issues.

References:

- Global Reporting Initiative. (2021).

- MSCI ESG Ratings. (2023).
- Pilbara Minerals. (2023, 2024).
- Sustainalytics. (2023).
- Task Force on Climate-related Financial Disclosures. (2023).

Marking Sheet/rubric for the written component (8%)

Unit name	Business Decision Making
Unit number	11009
Student name	
Written component	8%

Specific feedback

Quality of report content	
• Introduction and background of the report -(What, why & how)	**/5**
• Discussion	
• A small review of prior literature on the topic (maximum 300 words)	**/10**
o Company Background	**/5**
o Finding the non-financial (sustainability/ CSR performance) of firms	**/5**
o Calculating the quality of non-financial (sustainability/CSR performance) of firms	**/15**
o Correctness of sustainability quality calculation	**/5**
o Alternative sources used for validating sustainability information	**/5**
• Conclusion with decisions	**/10**
• Comments on nature of sustainability reporting (show-off or authentic)	**/5**

Report presentation and referencing	
• Table of Contents	**/3**
• Grammar, Spelling & Syntax	**/3**
• Referencing in paper	**/3**

• Reference list	**/3**
• Graphs & Format	**/3**

TOTAL mark:	**/80**
Late penalty (for any violations of assignments submission requirements)	
TOTAL ASSIGNMENT MARK FOR WRITTEN PART (out of 8)	**/10**

Rubric for Video Presentation:

Marking criteria	**0-8 marks**	**9-11 marks**	**12-13 marks**	**14-16 marks**	**17-20 marks**
Overall structure and flow of the video presentation **[10 marks]**	Poor structure of the presentation. Lack of logical flow from one part to another in the presentation	Satisfactory structure. Limited logical flow from one part of the presentation to another.	Good structure. Some logical flow from one part of the presentation to another.	Very good structure Clear logical flow from one part of the presentation to another.	Excellent structure of the presentation. Very clear logical flow throughout the presentation
Language, Communication ability, clarity and engagement including	Mistakes of language, poor professionalism (inappropria	Some attempt for audience engagement.	Language use, is of more than acceptable Standard. Good use of	Very professional presentation (appropriat	Excellent professionalism (appropriately grooming, outstanding confidence and

creativity and use of innovative style **[10 marks]**	te grooming, not relating to the camera, poor spoken communication). Inadequate audience engagement and creativity, eye contact; lack of clarity and fluency in the presentation; disruptive body language	Body language, clarity and fluency of the video are acceptable although minimum	communication, with some examples to engage the audience and creativity. Good use of communication, with some examples to engage the audience, good eye contacts, clarity of voice and good fluency with body language.	ely groomed, with confident, very good use of language, use of examples to engage the audience, very creative ways of presenting video, Very good eye contact and presentation is given in a professional manner (e.g., well-expressed voices as well as amicable body language) and very good fluency.	fluency), language skills and communication that fully engages the audience with creative and innovative examples. Excellent eye contact and professionally delivered with eloquent voices, and body language, excellent language clarity and fluency. Excellent ways of making and presenting video.

Marking criteria	0-24 marks	25-30 marks	31-35 marks	36-40 marks	41-50 marks	Marks
Depth of coverage, discussion and analysis **(50 Marks)**	Key issues in the report (e.g., aims, research method, literature, key findings) are not addressed adequately.	Key issues (e.g., aims, research method, literature, key findings and implications) identified but not explained very clearly.	Good explanation of most of the key issues in the report.	Very good coverage and explanation of almost all of the key issues in the report (e.g., aims, research method, literature, key findings and implications).	Excellent insights into key issues exceeding the standards required. Explanation of key issues integrated with literature and use of useful additional information to explain the points.	
Overall Score **Out of 70** **Converted to 7 Marks**	Poor It is evident that there is little or no effort that has been put into the assessment task.	Satisfactory The overall submission is acceptable. There are improvements that could be done overall to improve the quality	Good The overall submission is good. There are some improvements that could improve the scope and quality.	Very Good The overall submission is very good. There are minor improvements that could be done overall.	Excellent The overall submission is excellent. There are no further improvements that can be done.	/10

	An unacceptable effort.	of the assessment task. An acceptable effort.	Good work.	Well done.	Very well done.	
Overall comments and suggestions for future improvement						